



## Illinois Rural Electric Cooperative

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Winchester, Illinois 62694  
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March 5, 2014

Bruce N. Giffin  
General Manager  
giffin@e-co-op.com

From: Bruce N. Giffin  
Illinois Rural Electric Cooperative

To: Federal Communications Commission Staff

Subject: Expression of Interest – Rural Trials  
Docket No. 10-90

### Background

Illinois Rural Electric Cooperative is a member-owned electric distribution cooperative and an Internet service provider. It serves the rural areas of all or parts of ten counties in west central Illinois. (A service area map is attached.) The cooperative was formed in 1936 to take advantage of the opportunities afforded by the Rural Electrification Act to bring electric service to areas which would not otherwise have electric service. That changed people's lives.

The cooperative envisions bringing fiber optic service to every home and business in Scott and Morgan Counties, because no other entity is going to do that. Once again, people's lives would change.

In partnership with the municipal and county governments in Scott and Morgan Counties, the cooperative proposes universal fiber service in those counties using a combination of federal grants, USDA/RUS loans and general funds to build the project. It may be possible to bring universal fiber service to additional counties, although the population densities are so low that it is conceivable that they could only be served with the best available wireless services and/or fiber to the node.

The cooperative would own and operate the fiber network. Units of government would provide the easements and receive franchise fees.

The cooperative presently has just over 10,000 electric accounts and nearly 4,000 Internet accounts. With one exception, a school system with fiber service, those Internet accounts are served by fixed wireless and WiFi systems.

Current bandwidth speeds offered for both wireless and fiber are from one to 30 Mbps. Just as the cooperative replaced its dialup service, it is ready to begin the creative destruction of its wireless business.

The Internet service is supported by fiber backhaul from Winchester to Springfield with redundant paths from Springfield to Chicago and St. Louis. There is redundant microwave service from Winchester to Springfield.

The cooperative's assets at yearend 2013 were \$90,750,000.

### **Geographic Territory**

The 2010 Census showed 16,222 occupied dwelling units in Scott and Morgan Counties.

The following table lists the Census Tracts:

<u>State</u>	<u>County</u>	<u>County Name</u>	<u>Census Tract ID</u>
IL	17137	Morgan	17137951400
IL	17137	Morgan	17137951500
IL	17137	Morgan (Jacksonville)	17137951600
IL	17137	Morgan (Jacksonville)	17137951700
IL	17137	Morgan (Jacksonville)	17137951800
IL	17137	Morgan (Jacksonville)	17137951900
IL	17137	Morgan (Jacksonville)	17137952000
IL	17137	Morgan (Jacksonville)	17137952100
IL	17137	Morgan	17137952200
IL	17137	Morgan	17137952300
IL	17171	Scott	17171970600
IL	17171	Scott	17171970700

Morgan County is 572.30 square miles in size and Scott County is 252.77 square miles in size. The combined population for both Morgan (35,547) and Scott (5,355) counties is 40,902. It is the most densely populated part of the cooperative's service territory.

### **List of Anchor Institutions**

*Morgan County Schools:* (18)

(District 117 – 10) Early Years Pre-K, Eisenhower Elementary, Jacksonville High School, Turner Jr. High, Lincoln Elementary, Murrayville-Woodson Elementary, North Jacksonville Elementary, South Jacksonville Elementary, Washington Elementary

Waverly (2 buildings)

Franklin (2)

Meredosia-Chambersburg (1)

Illinois School for the Deaf (1)

Illinois School for the Visually Impaired (1)

Routt Catholic High School (1)

*Morgan County Health Care Centers:* (1) Morgan County Health Department  
*Morgan County Hospitals:* (1) Passavant Area Hospital

*Morgan County Libraries:* (3) Jacksonville Public Library, M-C River Valley Library, Waverly Public Library

*Morgan County Post Secondary Education Institutions:* (3) Illinois College, MacMurray College, Lincoln Land Community College

*Morgan County Government Agencies:* (11) City of Jacksonville, Village of South Jacksonville, Village of Meredosia, Village of Franklin, City of Waverly, Village of Chapin, Village of Concord, Village of Lynnnville, Village of Murrayville, Village of Woodson, Morgan County Government

*Scott County Schools:* (2) – Winchester and Bluffs

*Scott County Libraries:* (1) Winchester Public Library

*Scott County Health Care Centers:* (2) Scott County Nursing Home, Scott County Health Department

*Scott County Government Agencies:* (8 ) City of Winchester, Village of Bluffs, Village of Alsey, Village of Exeter, Village of Glasgow, Village of Manchester, Village of Naples, Scott County Government

### **Proposed Technology**

We propose universal fiber service available to every home and business. We would offer voice, television and broadband services. Initial broadband speeds would start at 50 Mbps down and 12.5 Mbps up with prices beginning at \$45 a month with additional bandwidth in increments of 50 Mbps. Gigabit service will be available to institutional and business consumers at the outset and to all consumers within three years.

Service to public schools, libraries, and police and fire departments would be at no cost to them.

### **Local Government Support and Participation**

Letters of support follow from Morgan County; Jacksonville, Illinois, the County Seat of Morgan County; and Winchester, Illinois, the County Seat of Scott County.

It is envisioned that units of government would receive a 5% franchise fee and would provide the easements necessary for the construction of the project.

**Existing Providers**

There are no providers of retail fiber service in the Census Tracts in Scott or Morgan Counties. No existing entity provides retail service at 50 Mbps or above, and no existing entity has indicated any intent of doing so.

**Project Time Line**

Some of the preliminary engineering and design has been done. Based on our record of being able to hire qualified employees and to retain contractors, we anticipate being able to reach 80% of consumers within 30 to 36 months and reach the remaining consumers in another 6 months.

**Scalability**

We may be able to replicate this proposal in additional counties, and we plan for ever increasing bandwidth requirements, leading to gigabit service available for all consumers.

**Total Cooperative Investment**

\$20,000,000

**One Time Capital Infrastructure Grant Needed**

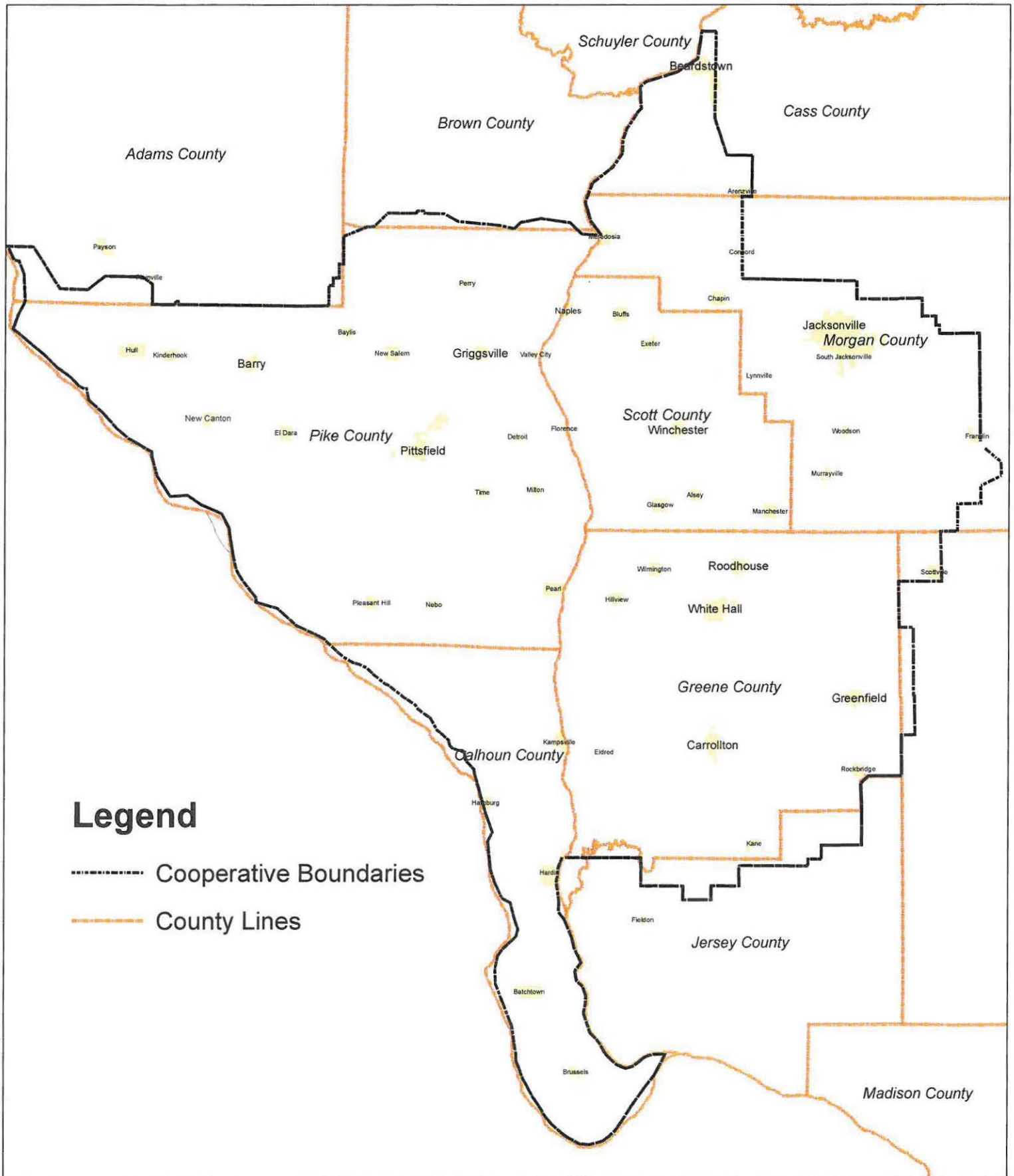
\$20,000,000

**Total Project**

\$40,000,000



# Illinois Rural Electric Cooperative





MORGAN COUNTY

**MORGAN COUNTY**  
**BOARD OF COUNTY COMMISSIONERS**  
300 WEST STATE STREET  
JACKSONVILLE, IL 62650

Phone: 217-245-4619

Fax: 217-245-8820

Email: [commish@morgancounty-il.com](mailto:commish@morgancounty-il.com)

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February 26, 2014

Federal Communications Commission Staff  
Expression of Interest – Rural Trials Docket No. 10-90.

Dear Sir or Madam:

Please allow this correspondence to serve as our letter of interest in partnering with the Illinois Rural Electric Cooperative on the Scott and Morgan Counties Universal Fiber Project. We are very excited about the possibilities that this project could provide for our area. While we have always had interest in this type of project, our proposed partnership with the Cooperative gives us a vision for a truly complete fiber project in our two county area, one that brings economic development potential, improved “quality of life”, and countless other benefits.

We look forward to working with you in the future.

Sincerely,

A handwritten signature in blue ink that reads "Bradley A. Zeller".

Bradley A. Zeller  
Chairman



**Office Of The Mayor  
ANDY EZARD**

March 5, 2014

Federal Communications Commission Staff  
Washington, District of Columbia

RE: Docket No. 10-90  
Expression of Interest – Rural Trials

To Whom It May Concern:

As Mayor of Jacksonville, I am writing to express my support of Illinois Rural Electric Cooperative's proposed Universal Fiber Service for Scott and Morgan Counties.

I am persuaded that only Illinois Rural Electric Cooperative, in partnership with the Counties and Municipalities, could accomplish universal fiber service here. I also know that universal fiber would be a game changer in terms of economic development and the opportunities for every one who lives here.

I look forward to working with Illinois Rural Electric Cooperative on this project.

Sincerely,

Andy Ezard  
Mayor  
City of Jacksonville

# City of Winchester

Rex McIntire, Mayor  
Amy Brown, Treasurer  
Brenda Robinson, City Clerk

121 South Hill  
Winchester, IL 62694

Council Members:  
Phil Pratt, Ward I  
Barb Nash, Ward I  
Cheryl Day, Ward II  
Mark Ford, Ward II  
Fred Andrews, Ward III  
Chris Renner, Ward III

February 25, 2014

Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: Expression of Interest – Rural Trials  
Dockets No. 10-90

To Whom It May Concern:

The City of Winchester would like to offer this letter in support of Illinois Rural Electric Cooperative's "Expression of Interest" for its Morgan and Scott County universal fiber project. The Cooperative is headquartered in Winchester and has provided reliable electric and internet service to our area for many years.

Sincerely,



Rex McIntire, Mayor